

**BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2007-402-C

In the Matter of

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Application of HTC

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Communications, LLC

)

DIRECT TESTIMONY OF

For Designation as an Eligible

)

RYAN GRAHAM

Telecommunications Carrier Pursuant

)

to Section 241(e)(2) of the

(

Communications Act of 1934

)

Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?

A: My name is M. Ryan Graham. My business address is: 3480 Hwy. 701 N., P.O. Box 1820, Conway, SC 29556.

Q: WHAT IS YOUR POSITION WITH HTCC?

A: I am the Supervisor of Plant Engineering Design for HTC Communications, LLC (“HTCC”).

Q: HOW LONG HAVE YOU HELD THAT POSITION?

A: Since September 2004.

Q: PRIOR TO BECOMING SUPERVISOR OF PLANT ENGINEERING DESIGN OF HTCC, WHAT OTHER POSITIONS HAVE YOU HELD IN THE TELECOMMUNICATIONS FIELD?

A: I have been employed by HTCC in various capacities for over 7 years. During that time, I have served as Engineer and subsequently became the Senior Engineer.

Q: WHAT ARE YOUR CURRENT RESPONSIBILITIES ON BEHALF OF HTCC?

A: As Supervisor of Plant Engineering Design at HTCC, I am responsible for the overall health, growth, and design of our wireless networks. These responsibilities include:

1 monitoring overall network performance, leading the RF design team in various
2 projects, project management of new site builds, new product and equipment
3 evaluation, and capital budgeting for the wireless network(s).

4 **Q: PLEASE DESCRIBE THE COMPANY’S WIRELESS OPERATIONS.**

5 A: HTCC is a common carrier using its own facilities to provide wireless voice and data
6 services within Horry and portions of Georgetown Counties in South Carolina. HTCC
7 has been providing service in these areas since 1991, first as a reseller, then as a
8 facilities based carrier beginning in December 2000. HTCC’s parent and owner, Horry
9 Telephone Cooperative, Inc. (“Horry Telephone”) is a cooperative which has provided
10 high-quality telecommunications services, including wireline services, to rural areas of
11 South Carolina for over 50 years.

12 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A: The purpose of my testimony is to support the November 6, 2007 application of HTCC
14 to be designated by the South Carolina Public Service Commission as an Eligible
15 Telecommunications Carrier, or “ETC.” Designating HTCC as an ETC will enable
16 HTCC to receive federal universal service funding that is necessary for HTCC to fulfill
17 its mission of providing affordable wireless service throughout its FCC licensed
18 territory in South Carolina. My testimony will address HTCC’s plans for improving
19 the coverage and quality of its wireless networks, both with and without the assistance
20 of universal support.

21 **Q: ARE THERE DIFFICULTIES ASSOCIATED WITH PLANNING FUTURE**
22 **NETWORK IMPROVEMENTS?**
23

1 A: Yes. Planning for proposed new cell sites, estimated costs, projected coverage and
2 construction time lines for completing the planned projects are always subject to
3 change. This is true for cell sites that HTCC plans to construct as part of its current
4 budget and those that it plans to construct if its application for ETC designation is
5 granted. It is inherently difficult to accurately predict the location and coverage of a
6 cell site before it is constructed, because each and every site is unique and an extensive
7 amount of work and planning is required to construct these sites. RF design and
8 propagation tools are used to predict coverage in and around communities where a cell
9 site could potentially be placed. Although these tools require numerous data inputs,
10 like cell site characteristics, equipment specifications, and local topography, they only
11 provide a best estimate of what surrounding coverage will actually be realized by
12 constructing a cell site and making it operational. Accurately predicting the time line
13 for construction projects is equally difficult because of factors largely beyond HTCC's
14 control, like weather or intervening emergencies. The actual amount of high-cost
15 support that HTCC can expect to receive may also fluctuate from year to year, which
16 could affect the progress of projects to be undertaken with those funds. All of these
17 elements combine to make HTCC's planned network improvements the best estimate
18 that is presently possible under the circumstances.

19 **Q: COULD YOU DESCRIBE THE CATEGORIES OF NETWORK**
20 **IMPROVEMENT PROJECTS THAT HTCC HAS CURRENT PLANS FOR?**

21
22 A: HTCC currently has two broad categories of network improvement plans. The first
23 category of planned improvements are those that HTCC has currently budgeted for.
24 These plans include the addition of new cell sites to increase the coverage of HTCC's

1 wireless network and to increase the quality of that network in areas where it currently
2 provides some level of coverage. This first category of sites is warranted by current
3 market conditions. The other broad category of improvements are those that HTCC
4 plans to undertake if its current application for ETC designation is granted. These
5 proposed improvements will also expand the coverage and quality of HTCC's wireless
6 network, however, HTCC will not be able to undertake them without universal support.

7 **Q: HAS HTCC PREPARED A NETWORK IMPROVEMENT PLAN THAT**
8 **ADDRESSES BOTH CATEGORIES OF PLANNED IMPROVEMENTS?**
9

10 A: Yes. HTCC has developed a confidential, two-year network improvement plan in
11 support of its application for designation as an ETC and has submitted that plan to the
12 Commission for consideration in conjunction with that application.

13 **Q: HAS HTCC MADE THAT PLAN AVAILABLE TO ORS?**

14 A: It is my understanding that HTCC has made that plan available to ORS under an
15 agreement that it be recognized as confidential and treated accordingly.

16 **Q: WHAT IS THE PURPOSE OF HTCC'S NETWORK IMPROVEMENT PLAN?**

17 A: HTCC's network improvement plan is designed to assist the Commission with
18 evaluating its application for designation as an ETC.

19 **Q: CAN YOU TELL US GENERALLY WHAT IS INCLUDED IN THAT PLAN?**

20 A: HTCC's network improvement plan includes three maps, among other items. The first
21 of those maps shows the coverage area of HTCC's existing network. The second map
22 builds upon the first map and adds projected coverage expansion and improvement to
23 the existing network that HTCC expects to realize from the addition of new cell sites
24 that are provided for in HTCC's current budget. HTCC is not seeking universal

1 support for the construction or maintenance of these sites. The third and final map
2 builds upon the first two and shows existing coverage, expected coverage from
3 budgeted sites, and adds additional coverage expansion and improvements that HTCC
4 projects would be realized by the addition of cell sites that HTCC has committed to
5 construct and maintain in the event that its application for ETC is granted. HTCC is
6 seeking universal support for the cell sites shown on the third and final map attached to
7 HTCC's network improvement plan. Without that support, HTCC will not be able to
8 construct the cell sites shown on that map and the additional coverage expansion and
9 improvements provided by those sites will not be realized.

10 **Q: IS HTCC REQUIRED TO INCLUDE CURRENTLY BUDGETED SITES IN ITS**
11 **NETWORK IMPROVEMENT PLAN?**

12
13 A: No, neither the FCC or the Commission require ETC applicants to provide information
14 on cell sites and network improvements that the applicant intends to undertake
15 regardless of whether its application for ETC is granted or not.

16 **Q: WHY DID HTCC INCLUDE THAT INFORMATION IN ITS NETWORK**
17 **IMPROVEMENT PLAN?**

18
19 A: HTCC felt that it was important to provide the Commission with a complete picture of
20 its existing network and the steps HTCC is committed to take in order to improve the
21 coverage area and signal strength of its network. HTCC also felt it was important to
22 illustrate its ongoing commitment to extend and upgrade its current network in order to
23 provide customers and visitors in HTCC's service territory with high-quality wireless
24 services regardless of whether its ETC application is granted. Including these budgeted
25 sites in its network improvement plan also illustrates that there are areas of HTCC's
26 service territory where market conditions and HTCC's current budget do not support

1 additional projects to expand and improve network coverage in those areas. HTCC
2 requires universal support to bring network expansion and improvements to those areas,
3 which is the purpose of its ETC application.

4 **Q: HOW DOES HTCC PROPOSE TO USE UNIVERSAL SUPPORT FUNDS IF ITS**
5 **APPLICATION FOR ETC IS GRANTED?**

6
7 A: HTCC proposes to use those funds to construct new cell sites in areas of its service
8 territory where its existing network provides limited coverage or no coverage at all.
9 HTCC has identified numerous new cell sites that it plans to construct with universal
10 support funds. Each of those sites, and the network coverage expansion and
11 improvements they are projected to provide, are identified in the application. They are
12 also included on the Site List that provides other pertinent information like their
13 anticipated location and the community which they are expected to serve.

14 **Q: DOES HTCC PLAN TO ADDRESS THE PROPOSED ETC SITES IN ANY**
15 **PARTICULAR ORDER?**

16
17 A: Yes, HTCC recognizes that only a certain number of sites can be constructed in any
18 given time frame and that it will receive a limited amount of universal service funds per
19 year if its ETC application is granted. Taking those factors in account, as well as
20 market research, existing data and customer needs, HTCC prioritized the proposed
21 ETC sites to identify those it would begin constructing during the first twelve months
22 following ETC designation and those that it would address during the second twelve
23 months following ETC designation. The remaining proposed ETC sites would be
24 addressed in the third through fifth years following ETC designation, after re-evaluating
25 the data and information identified above, and the actual improvements in network
26 coverage and signal strength realized from the addition of the proposed ETC sites

1 during the first two years following ETC designation. The order in which HTCC plans
2 to address these proposed projects is shown on the Site Schedule attached to the ETC
3 application. That Schedule is essentially a time line that specifically identifies the
4 projects HTCC plans to address during the first and second twelve months following
5 ETC designation, and shows the projected start date and completion date for those
6 projects. The remaining proposed ETC sites will be addressed in years three through
7 five following ETC designation and HTCC is committed to providing annual updates to
8 the Commission to provide specific information on planned use of universal support
9 funds for the next twelve months.

10 **Q: HAS HTCC PROVIDED ESTIMATES ON THE POPULATION THAT WILL**
11 **POTENTIALLY BE AFFECTED BY THE ADDITION OF HTCC'S PROPOSED**
12 **ETC SITES TO ITS NETWORK?**

13
14 **A:** Yes, HTCC has provided this information as an exhibit to its application. In that
15 exhibit, HTCC estimates both the percentage and total population that is covered by
16 HTCC's existing network, its existing network with the addition of budgeted sites, and
17 the existing network with the addition of budgeted sites and the addition of proposed
18 ETC sites. HTCC has also provided this information in a format that exemplifies the
19 different levels of coverage within its service territory that are the result of the
20 network's strength of signal. This information provides the Commission with data on
21 the number of people who will benefit from the addition of proposed ETC sites to
22 HTCC's network, although the benefits from those network improvements are not
23 limited to the people who are permanent residents of those areas. Everyone who
24 travels through the affected areas will also potentially benefit from the planned
25 improvements.

1 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A: Yes, thank you.

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CERTIFICATE OF SERVICE

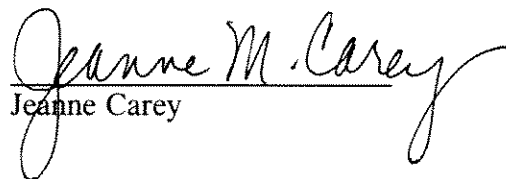
I hereby certify that on December 11, 2007, I served one copy of the following:

Direct Testimony of Mr. Larry Spainhour, and the

Direct Testimony of Mr. Ryan Graham

by placing the testimonies in the U.S. Mail with first class postage paid the following individuals:

Nanette S. Edwards, Esq.
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Jeanne Carey

Columbia, South Carolina
January 17, 2008